

NBC BRIEFING NOTES

11 May 1954

THE STRIKE SITUATION IN HONDURAS

- I. Strong circumstantial evidence links Guatemalan Communists with the paralyzing general strike which began on 5 May among United Fruit Company workers in Honduras in the north (Caribbean) coast region near the Guatemalan border.
 - A. This evidence includes:
 1. Communist labor agitators from Guatemala long reported operating in area. Access from unguarded Guatemalan border is easy.
 2. Coordinated strike of an estimated 25,000 widely scattered workers, who have had no overt labor organization, in the past, indicates long and efficient planning.
 3. Exaggerated demands by present strike leaders and their initial 48-hour ultimatum to company suggests their real concern is with other than bona fide labor objectives.
 4. Indications that strike leaders have sufficient funds to provide strikers with food requirements.
 5. Guatemalan military plane landed without clearance on 1 May in Honduran north coast city of Puerto Cortes. Searched by Honduran authorities and reportedly found to contain a map of United Fruit

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Company holdings in Honduras with suspicious, but unidentifiable, markings.

- 6. On 5 May the Honduran government publicly charged two Guatemalan consuls with subversive activities and closed the two consulates on north coast.**
- 7. Guatemalan ambassador in Honduras recalled on 6 May for consultation.**
- 8. Communist literature inciting to strike found in area -- origin undetermined.**
- 9. Men reported preparing to cross border from Guatemala; Honduran troops now patrolling border.**
- 10. Communist General Confederation of Guatemalan Workers (CGTG) issues statement 7 May offering "moral and economic support" to strikers.**

II. The strike appears shrewdly timed to coincide with growing political rivalries over the Honduran presidential and congressional elections due 10 October.

A. Roughly even three-way political split as elections approach.

- 1. Nationalist Party -- Nominated 80 year old ex-dictator Tiburcio Carias, who ruled country with strong hand. 1933-48.**



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b. Carias claims to be only candidate capable of dealing with Communist threat.

2. Reformist Party supporters of President Galves who split from Nationalists and nominated General Abraham Williams, pro-US, anti-Communist, Vice President under Carias.

3. Liberal Party - Traditional opposition party, now believed infiltrated by Communists. Candidate: Dr. Ramon VILLEDA Morales.

B. Carias is therefore likely to exploit current strike in attempt to show need for his strong hand.

C. Lack of decisive government action re present strike could be pretext for coup by Carias.

III. The Honduran government is probably able to maintain order, at least temporarily, in strike zone.

A. Thus far the strikers have remained orderly and appear unarmed, except for their machetes.

B. Troops in the area were promptly reinforced and control most major points .

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C. Honduran civil and military leaders on the scene have assisted company officials in attempts to negotiate with strikers.

1. It has been difficult, however, to find representative strike committee with which to negotiate.

IV. Since workers' wages and benefits are actually less than those of United Fruit employees in neighboring countries. The strike is susceptible to varied Communist exploitation.

A. Honduran politicians are, for the most part, notably naive with respect to Communist tactics and might grant Communists an entering wedge in political scene in return for a strike settlement.

B. Non-Communist leftists in Honduras are likely to sympathize with strikers, especially if Communist direction is not established.

C. Nationalistic, anti-US sentiments are being stirred throughout Central America where the United Fruit Company is a strong emotional issue.

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